

## Office of Personnel Management

## § 850.101

individual was retiring for the first time.

**§ 847.911 Is an employee who elects to credit NAFI service to qualify for an immediate FERS retirement under subpart H of this part eligible for an FERS annuity supplement under 5 CFR 842 subpart E?**

An FERS Annuity Supplement is not payable to a retiree who elects to credit NAFI service under subpart H of this part.

**§ 847.912 If an employee who elects to credit NAFI service under subpart H of this part elects a survivor annuity will the monthly survivor annuity rate be subject to reduction?**

(a) The monthly survivor annuity benefit of an employee who elects to credit NAFI service under subpart H of this part will be subject to reduction.

(b) The reduction under paragraph (a) of this section equals:

(1) The difference in the present value of the initial survivor annuity generated from the immediate annuity computation with credit for NAFI service and the initial survivor annuity generated from the deferred annuity computation without credit for NAFI service, divided by

(2) The present value factor for the retiree's age (in full years) at the time of retirement.

(c) The present value of the survivor annuity generated from the immediate annuity with credit for NAFI service in paragraph (b)(1) of this section is computed under the provisions of § 847.905 of this subpart.

(d) The present value of the initial survivor annuity generated from the deferred annuity without credit for NAFI service in paragraph (b)(1) of this section is computed under the provisions of § 847.906 of this subpart.

(e) The ages of the employee as of the commencing date of the immediate retirement and the commencing date of the deferred retirement are used to compute the present value of the survivor benefits under paragraphs (c) and (d) of this section.

## PART 850—RETIREMENT SYSTEMS MODERNIZATION

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AUTHORITY: 5 U.S.C. 8347; 5 U.S.C. 8461; 5 U.S.C. 8716; 5 U.S.C. 8913; section 9 of Pub. L. 86-724, 74 Stat. 849, 851-52 (September 8, 1960) as amended by section 102 of Reorganization Plan No. 2 of 1978, 92 Stat. 3781, 3783 (February 23, 1978).

SOURCE: 72 FR 73576, Dec. 28, 2007, unless otherwise noted.

### Subpart A—General Provisions

#### § 850.101 Purpose and scope.

(a) The purpose of this part is to enable changes needed for implementation of the new retirement and insurance processing system created by the Office of Personnel Management's (OPM's) Retirement Systems Modernization (RSM) initiative. RSM is OPM's strategic initiative to improve the quality and timeliness of services to employees and annuitants covered by the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS) by using contemporary, automated business processes and supporting technology. The RSM initiative is designed to transform the retirement process, as